

D R A F T

MEMORANDUM OF UNDERSTANDING

I. Purpose

A) This memorandum formalizes existing understandings between the Executive Director, Federal Retirement Thrift Investment Board (FRTIB) and the Director of Personnel, Central Intelligence Agency (CIA) regarding administration of responsibilities and functions of the Thrift Savings Plan (TSP) with respect to:

- 1) employees of the CIA; and,
- 2) for the duration of their assignment, certain civilian employees of an intelligence element of the Department of Defense jointly assigned with CIA employees to a specific intelligence activity of such national security sensitivity that identities of such assignees must be protected from unauthorized disclosure.

B.) It is understood that application of this memorandum to non-CIA employees is limited solely to that group of employees of the specific element of the Department of Defense as identified in discussions between FRTIB and CIA.

Should it be determined in the future that similar circumstances apply to other non-CIA employees involved in sensitive covert activities with the CIA, separate and independent agreements and memoranda of understanding must be executed for each such case.

II. Scope of Arrangement between CIA and the FRTIB

A.) General Functions and Duties to be Assumed by the CIA

- 1) This memorandum reaffirms that the DCI has elected to exercise his authority, effective 1 January 1987, to administer all TSP functions, not specifically excluded by law, as applicable to CIA employees and those TSP beneficiaries becoming eligible for TSP benefits on or after 1 January 1987.
- 2) By delegation of authority from the Executive Director of the FRTIB under provisions of the FERS Act of 1986, and consistent with the authorities and responsibilities of the DCI under Title 50, USC to protect intelligence sources and methods from unauthorized disclosure and protect the identities of certain United States intelligence personnel, CIA will administer, according to the same processes and procedures applicable to CIA employees, TSP functions not excluded by law relative to those specific non-CIA employees referred to in paragraph I (2) above
- 3) The CIA will formalize Memoranda of Understanding with the employing intelligence agency of such non-CIA employees relative to administration of TSP functions.

4) CIA will consult with FRTIB should circumstances require substantial revision of the CIA's CIARDs, CSRS and FERS retirement regulations and/or procedures involving TSP matters.

5) In the event that the DCI determines that it is no longer appropriate to internally administer specific TSP functions, the employing intelligence agency of affected non-CIA employees and the FRTIB will be provided sufficient advance notice of such action so as to provide adequate time for such agency and the FRTIB to assume responsibility for administering such functions and responsibilities.

B. General Functions and Services to be Performed by FRTIB

1) The FRTIB shall furnish such information and, on a reimbursable basis, such services as CIA requests to carry out those functions and duties determined by the DCI as appropriate to be performed by the CIA.

2) The FRTIB shall conduct such inspections and audits as may be authorized by law of CIA management of Thrift Savings accounts and disbursements. Such inspections and audits will be conducted in accordance with CIA security procedures, including certification of security clearances required for individuals conducting such inspections and audits.

III. Establishment of Inter-Agency Implementation Procedures

A. Operating agreements and procedures developed jointly between CIA and FRTIB officials currently in effect to implement the DCI's administration of Thrift Savings Plan functions will continue under this Memorandum of Understanding.

B. The establishment of new procedures, and the modification or revision of existing operating procedures, will be jointly developed by appropriate officials of CIA and FRTIB as requirements dictate.

The functions which may be involved include, but are not limited to:

- 1) Maintenance of individual employee TSP account records.
- 2) Collection of employee contributions and deposit of Agency contributions to employee accounts.
- 3) Transmission of employee and Agency contributions to the FRTIB.
- 4) Maintenance of aggregate control accounts for each investment category reconcilable with corresponding controls at FRTIB.

IV Supplemental Memoranda of Understanding

Separate Supplemental Memoranda of Understanding consistent with the contact and scope of this basic Memorandum, may be established to address specific, joint operating procedures and responsibilities relative to administration of the Thrift Savings Plan and other topics of particular significance where more elaboration or clarification is required.

V. Duration of Memorandum of Understanding

This memorandum will continue in effect until terminated by either signatory giving written notice to the other Agency or through mutual agreement that a formal Memorandum of Understanding is no longer necessary.

Approved for the Office of Personnel Management this _____ day
of _____ 1987.

Executive Director
Federal Retirement Thrift Investment Board

Date

Approved for the Central Intelligence Agency this _____ day of _____ 1987.

Director of Personnel
Central Intelligence Agency